

EXHIBIT 3

DATE 3/8/07

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FIRST REGULAR SESSION

**HOUSE BILL NO. 241****94TH GENERAL ASSEMBLY**

INTRODUCED BY REPRESENTATIVES BRUNS (Sponsor), FISHER, SCHAAF, McGHEE, DUSENBERG, RUESTMAN, SANDER, WILSON (130), WELLS AND BIVINS (Co-sponsors).

Read 1st time January 4, 2007 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

0189L.011

**AN ACT**

To amend chapter 407, RSMo, by adding thereto two new sections relating to price gouging during emergencies.

*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 407, RSMo, is amended by adding thereto two new sections, to be known as sections 407.725 and 407.727, to read as follows:

**407.725. For the purposes of sections 407.725 to 407.727, the following terms mean:**

- (1) "Advertisement", the attempt by publication, dissemination, circulation, or any other means to induce, directly or indirectly, any person to purchase, rent, or lease any necessity;**
- (2) "Consumer", any person who purchases, may purchase, or is solicited for purchase of merchandise;**
- (3) "Excessive price", a price that exceeds by ten percent or greater the seller's retail price immediately prior to the onset of any conditions that prompt a declaration of a state of emergency;**
- (4) "Necessity", includes any materials and services related to, but not limited to, food, fuel, water, energy, medical treatment, construction, repair, and transportation;**
- (5) "Person", shall have the meaning provided in section 407.010;**
- (6) "Sale", any sale, rental, lease, offer for sale, rental or lease, or attempt to sell, rent, or lease any necessity;**
- (7) "State of emergency", a temporary condition triggered by a declaration of emergency,**

including but not limited to an emergency declared solely for the purposes of this section by the governor which may encompass all or part of this state.

**407.727. 1.** Except as provided in subsection 2 of this section, any person charging an excessive price for any necessity in connection with the advertisement or sale of that necessity during a state of emergency commits price gouging.

**2.** Any person shall have an affirmative defense for price gouging if that person produces written documentation that an excessive price for a necessity was charged due to:

- (1)** An increase in the cost to the person to obtain the necessity; and
- (2)** That such increase is not within that person's control.

Upon request of the attorney general or local prosecuting attorney, the person shall provide written documentation within twenty-four hours after receiving the request. Failure to provide written documentation within twenty-four hours of request for good cause shall not be absolute bar to raising the affirmative defense.

**3.** Any person who engages in price gouging, as described in subsection 1 of this section, is liable for three times the amount that the person unfairly received for each transaction.

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